



MGB BERHAD

Registration No. 200201021504 (589167-W)

GIFT, ENTERTAINMENT AND HOSPITALITY POLICY

1.0 PURPOSE

To establish guidelines on the giving or receiving of Gift, Entertainment and Hospitality to and from Customers, Business Associates and/or Third Party.

2.0 SCOPE

This Policy is applicable to all Personnel of MGB Berhad (“**MGBB**”) and its subsidiaries (collectively “**MGB Group**” or “**Group**”) and Business Associates acting on behalf of MGB Group. Joint-venture companies and associated companies are encouraged to adopt these or similar principles. This Policy should read in conjunction with Anti-Bribery and Corruption Policy and the Whistleblowing Policy of MGB Group.

3.0 “NO GIFT & ENTERTAINMENT” POLICY

- 3.1 MGB Group adopts a “**No Gift, Entertainment and Hospitality**” Policy whereby all members including but not limited to Directors and Staffs of MGB Group are prohibited from giving and receiving any Gift, Entertainment or Hospitality. The policy herein also extends to family members, representatives and/or Business Associates of Personnel and Third Party.
- 3.2 All Personnel of MGB Group shall abide to this Policy to avoid any conflict of interest or seen to be a conflict of interest, and may potentially tarnish the MGB Group’s reputation or be in violation of anti-bribery and corruption laws.
- 3.3 Although MGB Group practices the “No Gift, Entertainment and Hospitality” Policy, situations may arise whereby it may be customary or necessary to give or receive gift, entertainment or hospitality during the natural course of business. Under such circumstances, the following exceptions to the Policy may apply:
 - (i) meet the requirements of applicable internal policies of MGB Group;
 - (ii) as a legitimate, justified business courtesy;
 - (iii) be given in a transparent manner, modest in value and valid purposes; and
 - (iv) not influence or appear to influence the independence of the receiver of the said Gift, Entertainment or Hospitality.



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4.0 DEFINITIONS

Business Associate means an external party with whom MGB Group has, or plans to establish, some form of business relationship. This may include clients, customers, joint ventures, joint venture partners, consortium partners, outsourcing providers, contractors, consultants, subcontractors, suppliers, vendor, advisers, agents, distributors, representatives, intermediaries and investors.

Corporate Gift normally bears the Group's name and logo and are nominal/appropriate value.

Entertainment and/or Hospitality means the considerate care of guests, which may include refreshments, accommodation and entertainment. For avoidance of doubt, all forms of entertainment shall be deemed to be included under this definition as well.

Gift means anything of value (such as money or cash equivalent vouchers, goods and services) given to any person or organisation without any expectation of anything in return or without any intention to influence someone to act improperly.

Personnel means Directors and all individuals directly contracted to the MGB Group on an employment basis, including permanent, temporary employees and interns.

Public Official means an individual who:

- (i) holds a legislative, administrative or judicial position of any kind; or
- (ii) performs public duties or exercises a public function for or on behalf of a country or territory (or subdivision thereof) or for any public agency or enterprise.

Third Party means anyone who at any time performs (or who is intended to perform) services for or on behalf of any entity of MGB Group including anyone who is engaged (by contract or otherwise) or paid to represent any entity of MGB Group such as suppliers, distributors, business contacts, agents, representatives, intermediaries, middlemen, introducers, sponsors, consultants, contractors, advisers and potentially Public Official.

Facilitation Payments means typically small, unofficial payments or other provision made personally to an individual in control of a process or decision. It is given to secure or expedite a routine or administrative duty or function, to which the payer is entitled, legally or otherwise.

5.0 ACCEPTING GIFT, ENTERTAINMENT AND HOSPITALITY

5.1 MGB Group acknowledges that gift giving is a central part of business etiquette. All Gift, Entertainment or Hospitality received shall be recorded via online Declaration Form.



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- 5.2 Gift, Entertainment or Hospitality may be accepted by any Personnel without approval provided that it and is:
- (i) a Corporate Gift;
 - (ii) perishable items (such as fruits, festive cookies or delicacies offered during festive seasons or ceremonial occasions); or
 - (iii) an exception falls under Clause 3.3 above.
- 5.3 Personnel and any Third Party acting for or on behalf of MGB Group are prohibited from:
- requesting gifts, contributions, gratuities, services or bribes from MGB Group's suppliers, or clients, regardless of its worth;
 - accepting any gift, entertainment or hospitality that is, or gives the appearance of, being lavish, offensive or inappropriate;
 - accepting any favours that might be regarded as placing you under some obligation to such person or party; or
 - accepting from, a business contact of MGB Group any gift, entertainment or hospitality in your personal capacity or through any family member or agent.
- 5.4 For Gift below RM500, Entertainment and Hospitality below RM200 per person, the Personnel shall report within 3 business days via online Declaration Form. The Head of Department shall decide to:
- (i) donate the gift to charity;
 - (ii) hold the gift for departmental display;
 - (iii) share the gift with other employees in the department;
 - (iv) permit it to be retained by the personnel.
- 5.5 In determining the above, it is expected to exercise proper care and judgment in each case, taking into account pertinent circumstances including the character of the gift, its purpose, the position/seniority of the person(s) providing the gift, the business context and cultural norms.
- 5.6 For Gift, Entertainment and Hospitality of the value as stated below, the Personnel shall declare and submit the online Declaration Form for approval as soon as practicable in accordance with the guideline of the Group:
- Gift: RM500.00
 - Entertainment/Hospitality: RM200.00 and above per person
- 5.7 Personnel is advised to exercise their own judgment and self-assessment to determine the value of the Gift, Entertainment and Hospitality received.



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6.0 DECLINING GIFT, ENTERTAINMENT AND HOSPITALITY

- 6.1 If any Gift, Entertainment and Hospitality offered or received are not permitted by this Policy, all Personnel are required to either:
- (a) to politely decline and explain MGB Group's Gift, Entertainment and Hospitality Policy; or
 - (b) where it would be offensive or embarrassing to the sender, the Personnel shall consult the Head of Department and/or Executive Director to obtain approval in the treatment to such Gift, Entertainment or Hospitality, and record via online Declaration Form.

7.0 GIVING GIFT, ENTERTAINMENT AND HOSPITALITY

- 7.1 Subject to the terms of this Policy, Personnel of MGB Group may give Gift, Entertainment or Hospitality to any Third Party.
- 7.2 It is the responsibility of the Personnel involved with the giving of any such Gift, Entertainment or Hospitality to make reasonable efforts to inquire into the recipient Third Party's policies on Gifts, Entertainment and Hospitality and to ensure that the proposed Gift, Entertainment or Hospitality complies with those policies.
- 7.3 Prior to giving any Gift, Entertainment or Hospitality, the Personnel shall declare and submit the online Declaration Form to the Executive Director for approval as soon as practicable in accordance with the guideline of the Group.

8.0 FACILITATION PAYMENT

- 8.1 MGB Group adopts a strict policy of disallowing the use of facilitation payments in its business. Facilitation payment as defined in this policy need not necessarily involve cash or other asset, and can include any sort of advantage to influence Personnel in their duties.
- 8.2 Facilitation Payments are deemed to constitute Bribery. Personnel shall decline to make the payment and report to Compliance Team immediately when they encounter any requests for a facilitation payment. In addition, if a payment has been made and Personnel are unsure of the nature, the Compliance Team must be notified immediately, and the payment recorded accordingly.
- 8.3 Pursuant to 8.2 above, Compliance Team shall refer to Executive Director as to any further action to be taken under this Policy and/or Anti Bribery and Corruption Policy.



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9.0 PUBLIC OFFICIAL

- 9.1 Any Gift, Entertainment and Hospitality given to Public Official expose MGB Group to higher risks under anti-bribery and anti-corruption laws. All Personnel are expected to be mindful and comply with all rules that apply to the interactions with Public Officials.
- 9.2 Personnel may offer or give Gift, Entertainment or Hospitality subject to the following exception whereby the Gift, Entertainment or Hospitality:
- 9.2.1 **Personal Capacity:** is given to the Public Official outside the course of such official's public duties. It is advised that the quantum of RM500 be used as a general guide.
- 9.2.2 **Public Duty:** provided that it is not in breach of any guidelines or codes applicable to Public Officials, is given to the Public Official as a token of appreciation in the course of public duty where such Public Official is officiating or attending an event, ceremony or other function hosted or organised by MGB Group.
- 9.3 At an event, ceremony or function hosted or organised by government authority or ministry, Personnel acting as a representative of MGB Group, may receive Gift, Entertainment or Hospitality from a Public Official.
- 9.4 If a Gift, Entertainment or Hospitality is intended to be given or offered to a Public Official in the course of his public duties as permitted by this Policy, it must be approved in advance by Executive Director.

10.0 POLICY REVIEW

This Policy has been approved by the Board and shall be made available on the Group's corporate website and internal computer networking system. All Heads of Department are responsible to inform their staff and clearly explain to them the contents of this Policy.

This policy shall be reviewed by the Board of Directors and updated whenever necessary to ensure its effective implementation. Any subsequent amendments to this Policy should be approved by the Board of Directors.